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BUSINESSMAN PLEADS GUILTY TO CHARGES OF RECEIVING OIL-FOR-FOOD CONTRACTS AS PAYMENT FOR WORK AS UNREGISTERED AGENT OF IRAQ

WASHINGTON, D.C. – Attorney General John Ashcroft, Assistant Attorney General Christopher A. Wray of the Criminal Division, U.S. Attorney David N. Kelley of the Southern District of New York, and FBI Director Robert Mueller announced today the guilty plea in Manhattan federal court of Samir A. Vincent, an Iraqi-born naturalized U.S. citizen, to a four-count criminal information charging him with, among other offenses, acting and conspiring to act as an unregistered agent of the government of Iraq.

In his guilty plea before United States District Judge Denny Chin, Vincent also admitted to having engaged in prohibited financial transactions with the government of Iraq related to Vincent's receipt of payments, including lucrative oil allocations under the United Nations Oil-For-Food Program, from Iraq in return for his operating as its agent in the United States from in or about 1993 through 2003. Vincent also pleaded guilty to related tax charges.

As alleged in the criminal information, beginning in or about 1992 and continuing through January 2003, Vincent consulted with and repeatedly received direction from Saddam Hussein's Iraqi government in an ongoing effort to influence officials in the United States government and the United Nations to repeal sanctions that were imposed upon Iraq in response to Iraq's invasion of Kuwait in 1990. As part of this ongoing campaign to lift sanctions, from in or about 1995 through 1996, Vincent received instructions from high-level Iraqi government officials and proceeded to carry out those instructions in the course of meetings with United Nations officials in Manhattan about the terms and conditions of United Nations Security Council Resolution 986, which led to the adoption of the United Nations Oil-For-Food Program.

At no time during the course of conducting this activity in the United States on behalf of the government of Iraq did Vincent register with the Attorney General as an agent of the Iraqi government.

As alleged in the information, Vincent met with Iraqi government officials in Baghdad in 1996, and based on instructions received from those officials, Vincent drafted agreements that guaranteed millions of dollars in compensation for Vincent and others from the Iraqi government upon the successful completion of an agreement regarding Resolution 986. Pursuant to those agreements, in 1996 and 1997, the government of Iraq paid millions of dollars in cash to Vincent and others.

As alleged in the information, between 1998 and 2003, at the direction of Iraqi government officials, Vincent lobbied former officials of the United States government who maintained close contacts to high-ranking members of both the Clinton and Bush administrations in an unsuccessful effort to influence the position of the U.S. government to support a repeal of sanctions against Iraq. In particular, in or about November 2001, Vincent obtained a message in

Baghdad from officials of the Iraqi Intelligence Service for delivery to a former official of the United States government regarding the government of Iraq's position on re-admitting weapons inspectors to Iraq and their demand for a repeal of sanctions.

In partial compensation for his efforts conducted on behalf of the government of Iraq, Vincent received five separate allocations of Iraqi oil under the United Nations Oil-for-Food Program from in or about 1997 through in or about 2001. Vincent was able to reap profits totaling millions of dollars by reselling these five allocations of Iraqi oil to an oil company.

"Today, we know that from the moment the Oil-for-Food program was introduced, Saddam Hussein and his agents attempted to subvert it, working the system so that profits were diverted to fund a brutal regime rather than to feed the people of Iraq," said Attorney General Ashcroft. "Combating corruption, such as that detailed in this plea agreement, sends a clear message both to American citizens and the citizens of Iraq: Corruption will not be tolerated. It will be prosecuted."

"We will continue to aggressively investigate and prosecute those who corrupted for their own profit an international program designed to benefit not the greedy, but those who were oppressed under the former Iraqi regime," said U.S. Attorney Kelley.

"This investigation was the combined effort of the Internal Revenue Service and the FBI, and illustrates the resources we will devote to allegations involving corruption in the U.N. Oil-for-Food program," said FBI Director Mueller.

As part of the agreement in this case, Vincent has agreed to cooperate with the ongoing investigation by the U.S. Attorney's Office into corruption in the U.N. Oil-for-Food Program.

Vincent surrendered to the FBI this morning in Manhattan.

Vincent faces a maximum of 28 years in prison: five years in prison on the conspiracy charge; 10 years in prison for acting as an unregistered agent of the government of Iraq; 10 years in prison for International Emergency Economic Act (IEEPA) violations; and a maximum sentence of three years in prison on the tax charge. Vincent also has agreed to restate his tax returns for the years 2000 through 2003.

U.S. Attorney Kelley praised the investigative efforts of the FBI and the IRS in this investigation.

Assistant United States Attorneys Edward C. O'Callaghan and Stephen A. Miller are in charge of the prosecution.

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